Chapter 9
Security Challenges and Military Reform in Post-authoritarian Indonesia: The Impact of Separatism, Terrorism, and Communal Violence

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Introduction

For over a decade, observers have witnessed the development of military reform in Indonesia. This reform is a significant part of the country's political transformation, one that was precipitated by the end of Suharto's long dictatorship (1966–1998). The evaluation of military reform is, however, mixed. There is a consensus that the military elite has contributed significantly to the dismantling of the authoritarian political system by accepting the public demand for military withdrawal from politics and supporting a peaceful transition to democratically-elected civilian governments during the post-Suharto period. Unlike in Thailand and the Philippines, where civilian political elites use the military in everyday power struggles, and generals intimidate and pressure civilian governments, the Indonesian military (Tentara Nasional Indonesia, or TNI) has succeeded in maintaining a degree of institutional autonomy vis-à-vis political elites. This perception fuels opinion that TNI is seriously committed to institutional self-reform with a goal of professionalizing the organizational orientation.

Critics and skeptics argue, however, that the apparent military withdrawal from political participation does not necessarily signal the success of military reform. TNI no longer dictates, but, as critics usually emphasize, Indonesia does not yet have effective civilian control over core military policies, including TNI's budget and organizational design. Clearly, parliamentary oversight of defense affairs has been weak. Civilian bureaucrats in the Defense Ministry defer to, and are directed by, active-duty generals who dominate top strategic positions within the ministry. Military spending, in addition to "off-budget" fundraising typically conducted by TNI's territorial commands throughout the archipelago, lacks transparency. It is these factors that support pessimistic evaluations of military reform in Indonesia

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where a decade of democratic governance has failed to establish a viable mechanism for civilian control of the military.

Thus, there are objective reasons for positive and negative evaluations of military reform; the former focuses on the historical trend in civil-military relations while the latter focuses on the everyday policy level. The discourse on TNI reform is robust and features the three following points. First, after a decade of post-Suharto politics, TNI is no longer a major political player in democratizing Indonesia. Second, civilian leaders are mostly indifferent to the problem of past atrocities committed by the military, as evident in the fact that not one high-ranking army officer has been brought to justice since Suharto stepped down in 1998. Third, civilian political elites have played a minimal role in shaping the agenda of military reform, allowing the military a free hand in determining the pace and extent of reform. Indonesia's elite consensus regarding post-authoritarian civil-military relations is based on a grand bargain – i.e. TNI supports transition to civilian-led democracy and promises military disengagement from politics while civilian leaders respect TNI's institutional autonomy and overlook its lack of accountability. Indonesia's seemingly stable civil-military relations today are based on this grand bargain, one that reflects the reality of the power equilibrium between civilian and military elites.

Why is this equilibrium stable? This chapter argues that elite risk assessment and state security management are key elements in this equilibrium. During the initial post-Suharto democratic transition period, various security threats influenced the mindset of political leaders and how they dealt with TNI reform. There are three critical areas of security management that have influenced elite attitudes. The first is separatism, i.e. the problem of the nation-state and sovereignty. The second is terrorism, which represents a transnational security agenda. The third is communal violence involving local religious-ethnic schisms. By examining these different security dimensions during the crucial time of regime transition between 1998 and 2004, one can understand why civil society demands for comprehensive military reform have been reduced to the TNI's withdrawal from the formal political process. Demands for a reckoning and accountability, in addition to civilian oversight, have been sidelined leaving "back to the barracks" as the most tangible reform achievement.

Separatism and Counterinsurgency in Aceh

Under the authoritarian regime of President Suharto, Jakarta's exploitation of Aceh was aimed at controlling natural resources – namely oil and gas – that were generating export revenues that bolstered the authoritarian state. Aceh's resistance to Jakarta was embodied in a secessionist movement, while the military played a vital role in repressing local society in Aceh for decades, especially since the late 1980s when the government escalated counterinsurgency policies by classifying Aceh as a military operation zone (DOM). Under the DOM, the military wielded unaccountable and untethered authority in the name of crushing the separatist group called Free Aceh Movement (GAM) which in turn led to the killing of many GAM

fighters, kidnapping and torturing of suspected GAM supporters, and applying any and all means to intimidate and pressure both actual and potential anti-government figures.[1] Suharto and his generals justified these abuses and excesses as measures necessary to maintain political stability and thereby sustain economic growth and development.

The fall of Suharto undermined this doctrine ratifying state terror as a means to support political stability and economic development. The momentum shifted to separatists in Aceh, East Timor and Papua, three peripheral areas that had all experienced long-term repression by the central government during the Suharto era. Demands for independence escalated in these resource-rich territories soon after Suharto's downfall, and the post-authoritarian government led by President B.J. Habibie allowed people in East Timor to conduct a referendum that won overwhelming public support for independence in 1999. At this time, General Wiranto, TNI Commander, was cornered into admitting the mass killings of Acehnese people and accepting the blame for failing to prevent the independence of East Timor. Furthermore, military repression in Aceh and East Timor tarnished the international reputation of the nation and the TNI.

These setbacks were a great humiliation for the TNI, and it learned one important lesson, that is, civilian political leaders could endanger Indonesia's territorial integrity, something that was sacred and inviolable in the eyes of the military elite. Following Habibie's presidency and during the subsequent Abdurrahman Wahid administration (1999–2001), TNI leadership felt growing distrust of civilian politicians and what they perceived to be inept and amateurish meddling in security affairs. In November 1999, when Wahid insisted on the possibility of conducting a referendum in Aceh similar to East Timor, he inflamed TNI distrust of civilian government and undermined those elements within the military that were supportive of civilian supremacy.[2]

For TNI, holding a referendum in Aceh was a nightmare scenario in terms of institutional interests and reputation risk, carrying implications far more troubling than independence in East Timor. Thus, TNI worked to derail the president's initiative. Army Chief of Staff Endriartono Sutarto reasserted the hardline approach to Aceh's independence movement despite the president's wishes by emphasizing the priority of preserving NKRI (the unitary state of the Republic of Indonesia). Political initiatives to negotiate with GAM and other pro-referendum civilian groups in Aceh were repeatedly ignored by the army leadership which insisted that *NKRI adalah harga mati* (NKRI is non-negotiable) for Indonesia (Honna, 2008). By invoking nationalism in this manner, the post-Suharto military sought to re-legitimize its hardline approach to the security situation in Aceh while reasserting its New Order role as the "guardian" of the nation. National unity was its trump card in justifying military insubordination and making a sham of civilian

[1] Amnesty International estimated that some 2,000 civilians were killed during the first 4 years of DOM between 1989 and 1993. See Amnesty International (1994). About DOM and military repression in Aceh, see Sukma (2004). About GAM, see Schulze (2004).

[2] For details, see, for example, Aspinall and Crouch (2003, p. 9).

supremacy. Although the Wahid government negotiated a ceasefire agreement in May 2000, it was soon undermined by the army which claimed that the agreement merely strengthened the GAM secessionist movement. Reports of armed clashes between TNI and GAM combatants, summary executions and mass killings increased within a few months of the ceasefire agreement, creating facts on the ground that undermined the trust necessary to the peace process (Aspinall & Crouch, 2003, pp. 17, 18). GAM quickly understood that a ceasefire with the government did not mean a cessation of hostilities with the military. The government believed that it was dangerous to prioritize a military solution to the Aceh problem, a view expressed by Susilo Bambang Yudhoyono,[3] a retired army general who served as the Coordinating Minister for Political and Security Affairs during the Wahid presidency, and was later elected President in 2004. Despite Yudhoyono's views, TNI defied the government and stepped up attacks on GAM bases in April 2001.

Three months later, in July 2001, Wahid was impeached by the parliament. Wahid's small political party, PKB (National Awakening Party), could not prevent two big political parties, Golkar and PDI-P (Indonesian Democratic Party for Struggle), from ousting Wahid who was replaced by his Vice President Megawati Sukarnoputri. She was the daughter of the iconic founding father of Indonesia, Sukarno, known for his strong views about territorial integrity and aggrandizement. As leader of PDI-P, Megawati was known to be sympathetic to patriotic military generals shunned by Wahid (Honna, 2003, Chap. 7). Soon after she took power, TNI escalated the Aceh conflict, thus sabotaging peace talks with GAM. The army, at that time led by an ultra-nationalist general, Ryamizard Ryacudu, insisted that defending NKRI was TNI's duty and there was no room for bargaining with separatists. The army territorial command in Aceh also started to mobilize right-wing militia groups and recruit their members from outside of Aceh – mainly from Java – to take part in the anti-GAM movement. The army sought to sow dissension and spark unrest in the territory to support its contention that Aceh might degenerate into a "civil war" if it did not intervene assertively, thereby wrapping itself in the flag of patriotic duty while raising the specter of violent chaos as a means of mobilizing Indonesian public opinion in support of suppression. Indeed, this tactic had already been deployed in East Timor, where it failed largely because it had been exposed and countered by the UN and international media. There was not the same level of international presence and scrutiny in Aceh and Megawati was both influenced by the patriotic rhetoric of the military elite and incapable of taming army aggression even if she was so inclined.

The Aceh problem entered a new phase in May 2003 when Ryacudu's army successfully manipulated instability and convinced Megawati to impose martial law in Aceh so that it could conduct massive military operations against GAM. The government dispatched around 35,000 troops to defeat GAM which had an estimated 5,000 rebels under arms. This was the largest military operation the TNI had undertaken in its history. Under martial law, the mass media was strictly

[3] Susilo Bambang Yudhoyono, "*Aceh Perlu Keadilan Kesejahteraan dan Keamanan*", Jakarta: Kantor Menko Polsoskam 2001.

limited, and access to Aceh from outside was also heavily restricted. The TNI issued daily reports, but they did not enjoy much credibility. With the introduction of martial law, local governments in Aceh were effectively placed under the control of TNI's local territorial commands. Under such conditions, military violence including extra-judicial killings, abductions, forced disappearances and displacement, was widely reported (Human Rights Watch, 2003). The war in Aceh was justified as a patriotic action to save Indonesia from the threat of disintegration or "Balkanization", and TNI's aggressive approach was largely endorsed by civilian political elites in the parliament who feared being labeled unpatriotic.

In December 2004, the war finally came to an end following a massive tsunami that killed more than 200,000 people in Aceh-Nias. Ryacudu insisted on continuing the fight against GAM, but Yudhoyono – the newly elected president who defeated Megawati in the country's first direct presidential elections in 2004 – seized the opportunity cast up by this historic disaster to exit the war. GAM also agreed to withdraw its demands for independence and promised to participate in the rebuilding of Aceh.

How did the experience of counterinsurgency in Aceh influence the direction of military reform? There were at least three significant consequences that should be highlighted. First, TNI successfully swayed public opinion and overcame opposition by civilian politicians by highlighting the danger of "another East Timor". It did so by invoking national unity (NKRI) and staking out a position as the patriotic guardian of it. This posturing effectively undermined the appeals of civil society and political elites to sustain reform pressures aiming to consolidate civilian control of the military. Nationalist discourse was hijacked by the military to neutralize reformist pressures and reassert prerogatives reminiscent of the New Order. Clearly, this was a setback for military reform and a reminder that the military jealously and effectively guards its institutional interests.

Second, the secessionist movement shifted the balance of power within the TNI, empowering conservatives and hardliners who viewed military reform as a ploy to undermine TNI's dignity and historic role in winning independence and safeguarding the nation from various threats. These anti-reform officers could be mainly seen in the field command and intelligence sectors, and they gained influence in the process of escalating armed conflicts with GAM in Aceh. Especially under the leadership of Ryamizard Ryacudu, the army chief from 2002 to 2005, the space within the officer corps to promote reform policies aiming to downsize the role of the army in society shrank. Moreover, the army chief intervened in the formulation of the TNI Law in 2003 by insisting on the inclusion of an article enabling the army to dispatch troops without presidential approval in the event of an emergency, raising public concerns about both the threat of a military coup and a military veto over civilian policies.[4] Clearly conservatives in the military vitiated the reform process during this period.

[4] For details, see *The Editors* (2005, p. 131).

Third, the war in Aceh exposed the disadvantages of civilian political leaders managing security problems, as they were easily outmaneuvered by the military and its institutional resources including a presence throughout the archipelago. Civilian-led peace negotiations were repeatedly disrespected, ignored and undermined by the army. The army leadership believed that the negotiation would only benefit GAM because a ceasefire would provide an opportunity to regroup, recruit new combatants, internationalize the issue, and gain local support for independence. Thus, in the eyes of army hardliners, it was legitimate to bypass what they saw as a bad call by inept and ill-informed politicians in order to prevent Indonesia's disintegration. From this experience, TNI strengthened two perceptions regarding civil-military relations in the age of democracy. First, civilian politicians were unreliable in defending Indonesia's territorial integrity. Second, TNI could act independently from the civilian government in the name of saving the state. These perceptions undoubtedly contributed to the demoralization of reformist officers who supported consolidating the civilian control principle, but emboldened those who favor military autonomy.

Certainly, separatism played a significant role in determining the direction of military reform in post-authoritarian Indonesia. Governments led by two prominent democratic leaders, i.e. Abdurrahman Wahid and Megawati Sukarnoputri, failed to convince army generals about the need for strengthening accountability and respecting civilian supremacy. Politicians were sidelined from managing security issues by TNI's nationalistic rhetoric and campaign to leave such important matters up to the professionals. This professionally orchestrated campaign made it difficult for military critics and reformers to assert their case without running the risk of being branded unpatriotic. No politicians in the parliament warned about the escalating assertiveness of the army leadership in Aceh. Even after the peace agreement in 2005, parliament has shown no appetite for an inquiry into military operations under martial law in Aceh despite demands from domestic NGOs – which had recorded a lot of misconduct by the military, mainly violence and smuggling – to investigate. Weak political will to assert civilian supremacy is thus another important lesson emboldening military hardliners, suggesting that prospects for significant reforms are limited.

Terrorism and Military Operations Other Than Warfare (MOOTW)

Another important change in the security situation after the country's democratic transition was the rise of terrorism. Only a few years after the fall of Suharto, Indonesia became famous for harboring a regional terrorist network, Jemaah Islamiyah (JI), leading the Western security community to identify Indonesia as

the second front in the "global campaign" against terrorism.[5] JI's terrorist operations mainly targeted foreigners as in the Bali bombing in October 2002, the Jakarta Marriott Hotel bombing in August 2003, the Australian Embassy bombing in July 2004, another bombing in Bali in October 2005, and the bombings of two hotels in Jakarta (Ritz-Carlton and Marriott) in July 2009. These frequent incidents lead the international community to see Indonesia as a hotbed of transnational terrorism. Rather than going into the details of terrorist activities in Indonesia, my concern here is how the problem of terrorism has influenced military reform.

Soon after the first Bali bombing in 2002, Indonesia's security community sought to synchronize with the global agenda for counter-terrorism and the "war on terrorism" (*perang terhadap terorisme*). Significantly, for TNI, this provided an opportunity to question the validity of the organizational reform initiated in 1999, i.e. the separation of military and police (Honna, 2010). Although this reform policy for splitting the police and military was initiated by Lt. Gen. Yudhoyono (at that time TNI's Chief of Staff for Territorial Affairs) and his reformist colleagues, the military returned to the pre-Suharto era organization of three services, army, navy and air force. This functional separation was accompanied by a redefinition of responsibilities between the police and the military. In an attempt to professionalize the security services, the military was assigned responsibility for national "defense" and the police given the role of maintaining domestic "security" and "order". From the beginning, however, many conservative officers believed that the police were not capable of handling domestic security on their own, meaning that in reality the military would continue to be involved in all security affairs.

Against this background, the war on terrorism created an institutional opportunity for TNI to regain lost turf and deflect pressures to reform. Military officers began to insist that defense and internal security were inseparable in practice, and they invoked the concept of a "gray zone", meaning that there is no strict separation between external defense and internal security. TNI asserted that Indonesia's geopolitical circumstances required the military to defend the nation from domestic penetration by external threats and that domestic security should be an integral part of "defense" operations. From this standpoint, the army began to criticize the Defense Law enacted in 2002. They zeroed in Article 7 of the law, which stated that the role of the military was to respond only to military threats, but assigned non-military threats to other government institutions. In the eyes of army hardliners, this law ignored the "gray zone" and did not reflect the reality of defense-security linkages.

The October 2002 terrorist bombing in Bali revealed Indonesia's vulnerable security conditions and the need for a more integrated and better coordinated response. The calls for improving Indonesia's security management by the international community, and the need to protect the valuable tourist industry, allowed TNI to revitalize the *babinsa* – the village level unit in the territorial command – to

[5] About Jemaah Islamiyah and its international network, see the reports of the International Crisis Group (ICG) (2002a, 2002b).

detect possible terrorist movements.[6] TNI's territorial command system had been a main target of reform pressure as it was seen as a tool of repression during the Suharto era. Thus, the demand for relinquishing the territorial command was widespread after the fall of Suharto, but in the aftermath of the Bali bombing, Indonesia's political community was reticent about questioning TNI's redeployment of territorial command resources for counter-terrorism operations.

Subsequently in 2003, when the TNI published its first post-Suharto Defense White Book, the army orchestrated the "gray zone" argument emphasizing that defense and security were indivisible (Departmen Pertahanan, 2003). TNI claimed that the primary concerns of Indonesia's "defense" sector had shifted from "traditional" threats – i.e. conventional military attacks by foreign countries – to "non-traditional" ones such as terrorism, piracy, illegal migrants, separatist movements and internal armed rebellions. According to the White Book, in order to respond to these new threats, the TNI needed to strengthen its capacity and role in military operations other than warfare (MOOTW) in which the demarcation between defense and security is irrelevant. Since then, TNI intensified internal socialization about the legitimacy of defense-security synergy by developing guidelines regarding non-traditional military threats and responses.[7]

Interestingly, TNI's new "gray zone" theory developed in tandem with efforts by the international community to upgrade the capacity of the national police in combating terrorism. In 2003, a year after the Bali bombing, the police established Special Detachment 88 (Densus 88), a 400-man counter-terrorism squad which was funded, equipped and trained by the United States and Australia. TNI, having lost international cooperation in the aftermath of the "dirty war" in East Timor, and given institutional rivalry, was threatened by the police seizing the opportunity of battling terrorism to attract significant international support. In fact, the TNI Commander at that time, Gen. Endriartono Sutarto, lobbied to create a TNI anti-terrorist task force, but failed (Sebastian, 2006, p. 157). It was against this background that the "gray zone" theory and MOOTW were invoked to create space for the military to become involved in counter-terrorism activities. As Mietzner suggests, it was the 2004 bombing in front of the Australian Embassy that finally convinced President Megawati to mobilize TNI for anti-terrorist operations (Mietzner, 2006, p. 41). Then in 2010, following strong lobbying by the military, the Yudhoyono administration established a National Anti-Terrorism Agency (BNPT) directly under the president. Aside from Densus 88, the BNPT included the National Intelligence Agency (BIN), and anti-terror units from the TNI including the army, navy and air force. According to the president's spokesman, "placing all these units under one command will increase the effectiveness and efficiency of

[6] See "Palglima Bantah Babinsa Pernah Ditiadakan", *Koran Tempo*, 22 November 2002; "Babinsa 'Crucial' to Help Stamp Out Terrorists", *The Jakarta Post*, 28 February 2005.

[7] For the guidelines see Markas Besar TNI, *Naskah Sementara Buku Petunjuk Operasi Tentang Operasi Militer Selain Perang*, Jakarta: Mabes TNI, October 2003.

human resources."[8] No security insider, however, believed so; many saw the development as a project of the TNI to seize a piece of the pie from the police and reassert and institutionalize its involvement in domestic security.

In this way, TNI skillfully neutralized pressure to limit its role to external defense by incorporating non-traditional security issues into the scope of the "defense" agenda. In redefining defense threats, it effectively sidestepped laws which attempted to restrict its role to "defense" affairs. Although the TNI's efforts to undo the separation of security and defense partly reflected its long-standing self-image as the sole guardian of the nation, it also reflected institutional resistance to reform targeting the territorial command structure. Significantly, the army's territorial commands have been vital for fundraising, generating economic opportunities, and maintaining the size of a force that is the largest – and thus most powerful and prestigious service – within the military. It is via this territorial command system that army officers have gained access to the local politico-economic elite and wielded oligarchic power in the provinces (Honna, 2006; Mietzner, 2003).

The separation of the police from the military was the first reform project in post-authoritarian civil-military relations. It was designed with the expectation of promoting military professionalism in external defense matters and was also a backlash against military abuses during the Suharto era. However, the TNI is apparently not willing to relinquish domestic security functions to the police, because it adamantly believes that losing this security role would endanger the *raison d'être* of its territorial command system, a key and cherished institutional foundation. The lessons from this institutional rivalry as played out in the war against terrorism highlight how the military's self-perceived role as national guardian dovetails with its institutional interests in ways that complicate and slow down the agenda of reform. The military still feels it is the sole arbiter of what is best for the military and the nation, and thus continues to circle the wagons against reformers who think otherwise. The war on terror has been a good opportunity to claw back some power and influence over internal security and thus overturn prior reforms shifting such responsibilities to the police.

Social Violence, Militias, and Military Business

In tandem with problems of separatism and terrorism discussed above, there were waves of local security disturbances in the post-Suharto era caused by communal violence between different religious, ethnic and social groups. In responding to separatism and terrorism, TNI could brand its enemy as subversives, and target them accordingly relying on its combat expertise. Communal violence created a

[8] "New Body to Have TNI, Police as Partners", *The Jakarta Post*, 26 July 2010.

different challenge for military engagement because it was not expected to combat and eliminate the enemy, but rather stop the armed conflict and violence between local civilian antagonists. In the early years of regime transition in the post-Suharto era, Indonesia experienced various incidents of communal violence that killed more than 10,000 people (Bertrand, 2004, p. 1) and displaced over one million refugees throughout the archipelago. Notable cases were West and Central Kalimantan, Ambon (Maluku) and Poso (Sulawesi). How did these local conflicts influence the role of TNI and what was the impact on military reform?

Each case of communal violence had its local dynamics and this determined the behavior of TNI's territorial command in dealing with the local situation. In West Kalimantan, the ethnic war between Dayaks and Madurese erupted in 1996–1997 and again in 1999, which resulted in massacres of Madurese migrants by local Dayaks. The war leaped across the province in 2000 and the ethnic cleansing of about 500 Madurese by Dayaks happened in the town of Sampit in Central Kalimantan in 2001 (ICG, 2001b). The police, who had been in charge of internal security since 1999, proved incapable of stopping the massacre while TNI was deployed too slowly. The main reason for the failure of the local territorial command to contain the scale of violence was no doubt the lack of professionalism. The TNI was not trusted by the indigenous Dayak community as the former had exploited Dayak land by promoting illegal logging in the forest for decades. TNI's involvement in illegal logging was one of its typical business activities aiming to accumulate off-budget revenue to improve soldiers' welfare and cover other operational costs. For Dayaks, the TNI was the enemy that could not be trusted. In facing the riots of Dayaks against Madurese, TNI found that it was powerless to calm down Dayaks because they believed soldiers were never neutral or trustworthy.

In addition to large-scale ethnic violence, post-Suharto Indonesia experienced inter-religious violence, as in the cases of Ambon and Poso. Let us examine the case of Ambon here. As van Klinken suggests, the eruption of fighting in January 1999 made Ambon the sight of the most shocking violence seen in Indonesia since the anti-communist pogroms of 1965–1966 (van Klinken, 2007, p. 88). Until the peace agreement in 2002, Ambon suffered from an intense religious conflict that persisted partly due to an incapable local security apparatus that also took part in the fighting. In addition, there was a massive influx of outside militia forces that escalated and prolonged the conflict. What started ostensibly as a quarrel between a minibus driver and a passenger, spun out of control after the 1999 general election in June, as riots broke out in Ambon and the surrounding areas. This religious war lasted for 3 years, and was fueled by the military.

First, the local military command apparently abandoned its professional duty to maintain neutrality and became actively involved in the violence by backing Muslim groups against Christians. It was not hard to imagine how local soldiers, whose families and communities were attacked by the rival religious group, became angry and took revenge on the enemy. Some of these soldiers deserted their units and worked as mercenaries. They joined the war by training militias, supplying weapons to gangs, and leading the attack. Brig. Gen. Mustopo, who headed the Ambon Command in 2001–2002, acknowledged that about 18% of his

soldiers, or several hundred troops, deserted in 2000 alone.[9] The local military command was clearly in chaos as troops siding with Muslim groups fought against Christian combatants who had many sympathizers in the local police (about 70% of the Ambon police were Christian) (Crouch, 2010, p. 249). The proxy war continued as Jakarta's TNI headquarters did not pay enough attention to the developments in Ambon in early 1999 as it was preoccupied with the situation in East Timor and preparing for the anticipated crisis after the referendum planned for August.

Second, the local military command also encouraged paramilitary groups consisting of youth gangs and militias to participate in the communal violence. For the Christian side, prominent groups included Laskar Kristus, Maluku Sovereignty Front (FKM), and Christian Boys (Coker). It was later revealed that Coker's leader, Berthy Loupatty, worked for the Army Special Force (Kopassus). On the Muslim side, Laskar Jihad and Laskar Mujahidin were two notorious groups, both coming from outside of Ambon. The presence of Laskar Jihad, in particular, was very important in understanding the role of TNI. Laskar Jihad was originally formed in 1999 as the militant wing of a Salafi Islamic organization in Yogyakarta, and it soon became active in recruiting volunteer fighters in Java who could help Muslims in the war in Ambon. President Wahid barred the group from Ambon, but about 3,000 Laskar Jihad members arrived there in May 2000 with the support of the local military command which later supplied them with standard military weapons (Hasan, 2006, pp. 186–190). Following the arrival of Laskar Jihad, the religious killing intensified and shifted the power balance in favor of the Muslims in line with local soldiers' sympathies. Aside from this tactical advantage, the TNI also had a material interest in welcoming Laskar Jihad to Ambon. As discussed above, local TNI units were typically involved in off-budget business activities – such as illegal logging – to earn extra-revenue. In the Ambon conflict, the military could profit from supplying weapons and ammunition to the well-funded Laskar Jihad. The collaboration between the military and Laskar Jihad lasted until mid-2001 when Wahid, who was highly unpopular among military elites, was replaced by Megawati as president, and the U.S.-led war on terrorism generated pressures on the Indonesian government to crack down on radical groups, including Laskar Jihad. It was under the Megawati government in early 2002 that the peace agreement was initiated in Ambon. Although this chapter does not discuss the religious war in Poso between 1998 and 2001, the local military command in Poso and Laskar Jihad engaged in similar collaborative relations (Sangaji, 2007).

Communal violence had a significant impact on military reform in Indonesia. First, TNI's territorial commands in remote areas were deeply involved in the local political economy, and the communal conflict, which destabilized the authority of post-Suharto civilian governments in these regions, effectively strengthened the

[9] "Maaf, Salah Pengertian", *Tempo*, May 26, 2002. For more, see International Crisis Group (2002c).

autonomy of local military commands in exercising political and business power. For the local TNI, the reform discourse at the national level – for example, political non-intervention, withdrawal from internal security, and abandoning non-military positions reserved for the military – was not relevant amid the security crisis. Sustaining low-intensity conflict in fact helped extend the opportunity for local commands to advance their business interests, involving protection rackets, illegal logging, arms smuggling, and so on. In this sense, the post-authoritarian reform aiming to promote a professional military was in practice undermined seriously at the local level where the conflict erupted and restoration of order, if not law, became the top priority. Intentionally or not, TNI's territorial commands more or less played this "politics of insecurity" during the outbreak of communal violence in West and Central Kalimantan, Ambon and Poso during the early years of the democratic transition.

Second, at the national level, the spread of local conflicts and the apparent inability of the police to handle these security problems effectively empowered anti-reform conservatives within the TNI who argued that splitting the police from the military was misguided. Significantly, the local chaos strengthened their hand in establishing local military commands in post-conflict areas in the name of defending national stability. In Ambon, soon after the conflict erupted, the Ambon Regional Command (Kodam XVI/Pattimura) was established in May 1999. In Kalimantan, the TNI newly created a Regional Command (Kodam XII/Tanjungpura) overseeing West and Central Kalimantan. Moreover, following the conflict in Poso the regency was divided into three areas with the creation of two independent regencies, namely Morowali (1999) and Tojo Una-una (2004). This administrative division was aimed at alleviating the conflict and promoting peace, but for TNI, the new regencies provided an opportunity to establish new local commands. TNI has insisted that it is not the TNI, but local officials who decide whether or not to have a local military command. It is not so difficult for TNI, however, to invoke the politics of insecurity and "enlighten" local parliamentarians about the utility of embracing territorial commands in their regencies. Seemingly the current TNI leadership is not in a hurry to establish local commands there, perhaps reflecting the reality of today's civil-military relations in which civilian elites no longer pressure TNI to abolish its territorial command system. This hands-off policy means that the TNI faces little pressure to enhance accountability for the entrepreneurial, fundraising activities of local territorial commands.

Conclusion

Military reform is not produced in a political black box; it is indeed a product of politics shaped by the tug-of-war between reformers and the old guard within the military; between political and military elites; and between civil society and the state power. Various tugs-of-war and the opportunities created by crisis determine the pace, scope and direction of military reform. Significantly, battles over reform

are influenced by the country's perceived security condition of the time. In times of peace, for example, reform pressures can be powerful, but during crisis, resistance to change and space for backsliding on reform emerges.

This chapter clarifies the ways in which TNI has manipulated the state of "insecurity" to control the pace and direction of military reform. I examined how different security problems – namely the secessionist movement in Aceh, transnational terrorism in Java and Bali, and communal violence in Kalimantan and Ambon – influenced civil-military relations and military reform. First, separatism in Indonesia provided TNI with an opportunity to assume the guardian role of fighting to preserve national unity and to stave off the threat of disintegration. By invoking nationalism, national security and the prospect of Balkanization, TNI was able to justify resisting and sabotaging efforts of civilian political leaders to negotiate with rebels. Undoubtedly, the success of TNI in defending its control over security matters and insulating TNI from civilian meddling has emboldened anti-reform elements in the military who understand how to legitimize their insubordinate and illicit actions and know they can do so with impunity.

Second, I discussed how the war against terrorism enabled TNI to question the validity of separating security and defense by redefining security threats and its role in dealing with them. As the global war on terrorism bolstered the role of the police, TNI invoked the "gray zone" theory, claiming that the emergence of "non-traditional" threats – such as terrorism and transnational crimes – requires military activities in areas that lay in-between traditional concepts of security and defense. To some extent, this was TNI's initiative against the 1999 reform of splitting the police from the military and a strategy for reclaiming some of the turf lost to the police when the institutions were split apart. TNI's strategy was relatively successful and its role in domestic counter-terrorism operations was institutionalized by the creation of the National Anti-Terrorism Agency (BNPT) in 2010.

Finally, we have seen the impact of communal violence. In conflict areas, the concept of military reform was viewed as irrelevant and meaningless. Ethnic and religious violence in Kalimantan and Ambon clearly illustrated the autonomy of local commands vis-à-vis TNI headquarters in Jakarta, particularly concerning their off-budget fundraising. The communal fighting was partially related to local military business activities – such as illegal logging and arms trade ventures – that significantly compromised TNI's professional stature and effectiveness in dealing with local conflict. In Ambon, the TNI worsened the situation by involving outside paramilitary gangs and militias. This military sabotage illustrated TNI's lack of organizational accountability at the local level, while its manipulation of insecurity effectively convinced political leaders about the need for increasing the number of territorial commands, countering pressures from civil society to reduce their number.

In his recent book, a long-time observer of the Indonesian military, Harold Crouch, argues that there are four unresolved issues regarding military reform in Indonesia; namely the "grey zone," territorial structure, military finances, and human rights violations (Crouch, 2010). My discussion in this chapter examines

all these issues and links them together in the context of TNI's politics of (in) security. Many agree that TNI – in line with the democratic transition – has withdrawn from politics, meaning non-intervention in elections, no seats in parliaments, and no political sections in TNI's structure. These developments all vouch for TNI's withdrawal from the "formal" political process and institutions. It does not mean, however, that TNI cannot play politics outside these formal channels. As we have seen, the military can influence, sabotage and bypass political decisions by civilian authorities and dictate the pace and scope of reform by playing the politics of (in)security. Thus, for democratic reformers in Indonesia it is important to understand why and how the military is resisting reforms in order to structure incentives and disincentives accordingly.

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